

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

JOHN WAYNE ZIDAR, et al.,

Defendants.

CASE NO. C00-0823C

ORDER

This matter comes before the Court on the Receiver's September 15, 2005 Supplemental Report Regarding Asset Recovery Efforts and Motion for Approval to Liquidate Chinese Bonds ("Motion"). (Dkt. No. 406.) The Receiver's motion was filed in response to a March 15, 2005 order of the Court. (*See* Dkt. No. 364.)

As of the date of the Motion, the Receiver reported that the assets managed and controlled by its office ("Receivership Assets") totaled \$925,478.06, which reflects a \$647,218.70 increase since the April 14, 2005 distribution. This increase is due to the recovery of additional assets. The Receiver also reported that there are several potential assets that may be recovered with the next few months, including two claims filed in similar SEC civil actions that are pending court approval and distribution in those respective cases.

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1 The Receiver further reported that it scheduled to submit briefing on two pending Ninth Circuit  
2 appeals filed on May 2, 2005 and August 19, 2005. These are appeals from orders entered in this Court  
3 denying pro rata distribution to certain claimants.

4 The Receiver also moved the Court to approve its proposal to sell 2,450 Chinese Government 5%  
5 Reorganization Gold Loan of 1913 bonds for collector's value through a bond dealer or internet auction  
6 site.

7 The Court has considered the Receiver's motion, and the other pleadings and declarations on file  
8 regarding this motion.

9 Based on the pleadings, declarations and records on file, the Court ORDERS as follows:

10 IT IS ORDERED that the Receiver sell the 2,450 Chinese Government 5% Reorganization Gold  
11 Loan of 1913 bonds for collector's value through a bond dealer or internet auction site.

12 IT IS FURTHER ORDERED that the Receiver continue to recover assets that are linked to the  
13 defendants' fraudulent transactions.

14 IT IS FURTHER ORDERED that within three (3) months of this order, the Receiver submit a  
15 supplemental report to the Court regarding additional assets and the status of the appellate proceedings.

16 IT IS FURTHER ORDERED that the Receiver, when filing its supplemental report, (1) submit a  
17 supplemental distribution proposal to the Court with the supplemental report regarding assets, *or* (2)  
18 recommend to the Court a reasonable time within which it may be able to present a supplemental  
19 distribution proposal.

20 SO ORDERED this 27th day of October, 2005.

21  
22 A handwritten signature in black ink, appearing to read "John C. Capron", is written over a horizontal line.

23 UNITED STATES DISTRICT JUDGE  
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